



## **HUMAN CAPITAL DEVELOPMENT STRATEGY AND PERFORMANCE OF MANUFACTURING FIRMS IN AKWA IBOM STATE**

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**ABSTRACT:** *The study evaluated the Human capital development strategy and performance of manufacturing in Akwa Ibom state. The specific objectives were to: examine the relationship between managerial structure and profitability and evaluate the relationship between decision making and staff retention of manufacturing in Akwa Ibom state. The area of study was Uyo, Akwa Ibom state, Nigeria. Four (4) manufacturing firms were selected. The study used the survey approach. The primary sources were personal interview and the administration of questionnaire. A population of 1110 and 285 staff of sample size was used using Freund and William formula. 244 staff returned the questionnaire and accurately filled. That gave 86 percent response rate. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.77 which was also good. Data was presented and analyzed by mean score (3.0 and above a greed while below 3.0 disagreed) and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Pearson correlation coefficient (r) statistics tool. The findings indicated that managerial structure had positive relationship with the profitability ( $r = .500 < .985, p < .05$ ) and decision making had positive relationship with the staff retention of manufacturing firms in Akwa Ibom state ( $r = .468 < .970, p < .05$ ). The study concluded that Managerial structure and decision making had positive relationship with the profitability and staff retention of manufacturing firm in Akwa Ibom state. The study recommended among others that the management of the organizations should put managerial structure into serious practice to assist give employees more clarity, help manage expectations, enable better decision-making and deliver value to a market.*

### **Introduction**

The industrial companies have a limited amount of time to create an integrated human

development strategy. The organization's strategy and toolkit for combating poverty and social exclusion in Nigeria and worldwide

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increasingly depend on investments in human capital. Because safety nets, nutrition, and education are inextricably related to economic growth and the eradication of poverty, a plan for human capital development is urgently required (African Development Bank Group, AFDB, 2022). In order to reach their full potential as productive members of the organization or society, people invest in and accumulate human capital throughout their lifetimes. Human capital is made up of knowledge, skills, and health. Ending severe poverty and fostering more inclusive communities will be greatly aided by providing people with access to nourishment, health care, decent education, employment, and skills. The World Development Report (WDR) 2019: The Changing Nature of Work points out that while the frontier for skills expands, opportunities and threats are also present. There is strong evidence indicating that organizations cannot achieve sustainable, inclusive economic growth, will not have a workforce ready for the future's higher-skilled employment, and will not be able to compete effectively in the global economy without strengthening their human capital. Inaction on human capital development is becoming more expensive (The World Bank, 2022). A human capital plan outlines the people assets and competencies necessary for manufacturing companies and organizations to accomplish their objectives. It is founded on workforce planning and backed by systems for managing personnel.

Innovative solutions and effective investments in the development of human capital will be needed to sustain prosperity and make it inclusive on a continent that is quickly changing. Imperceptible resources that employees make accessible to their employers make up human capital. The knowledge, skills, aptitudes, and other learned attributes that contribute to productivity can also

be considered human capital. Individual talents that contribute to manufacturing are referred to as skills in the production function. Early aptitude and skills acquired via formal schooling or on-the-job training are the two key components of human capital, and they work well together. Due to the fact that it only generates market earnings in proportion to the labor supply of the workforce, human capital differs from other assets (Cross, 2019).

Performance may be thought of as a catch-all phrase for any ideas that take into account how successful a company and its operations are. Performance can refer to the outcomes or consequences of a certain activity, its execution, or its capacity to produce outcomes. According to Matui (2017), performance is the accomplishment of results that guarantee the delivery of desirable outcomes for the stakeholders of an organization. According to Egesimba (2021), performance refers to an organization's capacity to carry out its mission via effective management, solid governance, and steadfast rededication to accomplishing outcomes. Performance is regarded as a crucial management concept since it sits at the core of every managerial procedure and organizational structure. The actions that contribute to setting the organization's goals and tracking the results of those efforts are collectively referred to as organizational performance. Analysis of a company's performance in relation to its aims and objectives within a corporate structure is known as performance. There are three main types of performance: financial performance, market performance, value added performance, and occasionally production performance (Egesimba, 2021). Owners of enterprises are concerned about performance in firms since, despite employees' best efforts on their jobs, the company may not always provide the desired

results. Unforeseen circumstances and good fortune, rather than employee efforts, might impact achievement or results. However, it is crucial that organizational functions are established and then carried out if any firm is to succeed. This indicates that in order to improve organizational performance, strategies must be developed and constructed taking into account the abilities at hand. On the basis of this, it is necessary to research the human capital development strategy and operations of Akwa Ibom State's manufacturing companies.

## **1.2 A description of the issue**

Today, unskilled labor and natural resources, which make up the majority of factor endowments, are what most manufacturing companies compete on. Moving up the value chain to innovation- and efficiency-driven economies, which are necessary for sustaining and accelerating growth, will call for ongoing, high-impact investments in human development, including those in science, technology, education, nutrition, and health, as well as various social protection measures like fostering an environment that fosters job growth and higher-quality value chains. It will also be necessary to create safety nets to help people and communities weather economic and social shocks and escape poverty permanently if we want to improve the quality and inclusivity of growth.

In today's enterprises, bad decision-making and a lack of administrative structure have a negative impact on how businesses are operated. Numerous issues, including bloated management, bad communication, having too many bosses, poor customer service, and a lack of innovation, are brought on by inadequate organizational structure.

If these factors are not addressed, the organization will be unable to expand due to low productivity, a lack of profit, high staff turnover and hiring issues, a mismatch between technology and decision-making, and more. This prompted researchers to examine the industrial sector's performance and human capital development plan in Akwa Ibom state.

### **1.1 Objective of the study**

The main objective of the study was to evaluate human capital development strategy and performance of manufacturing in Akwa Ibom state. The specific objectives were to

- i. Examine the relationship between managerial structure and profitability of manufacturing in Akwa Ibom state
- ii. Evaluate the relationship between decision making and staff retention of manufacturing in Akwa Ibom state

### **1.2 Research Questions**

The following research question guided the study

- i. What is the relationship between managerial structure and profitability of manufacturing in Akwa Ibom state
- ii. What is the relationship decision making and staff retention of Human capital development strategy and performance of manufacturing in Akwa Ibom state

### **1.3 Statement of hypotheses**

The following null hypotheses guided

- i. Managerial structure has no positive relationship with the profitability of manufacturing firm in Akwa Ibom state.

- ii. Decision making has no positive relationship with the staff retention of manufacturing firms in Akwa Ibom state.

## 1.4 Significance of the study

The findings from the study would be of immense benefit to the following;

Organizations will find the study useful as the issues addresses the key to firm's success in this competitive era. The study will not only provide information on the need for human capital development but how effectively this can be planned and implemented for growth of the organization.

In similar development, this study highlight the need for managers and trainees to design the context of their human capital development programmes to reflect the fundamental needs of the employees, and the organization, since human capital development is the leverage organizations need to a competitive workforce.

## 2.0 Review of the Related Literature

### 2.1 Conceptual Review

#### 2.1.1 Human Capital

Human capital is the collection of intangible resources that both people and groups within a population possess. The information, skills, abilities, experience, intellect, training, judgment, and wisdom that are individually and collectively held constitute this wealth, which is made accessible to countries and organizations to help them achieve their objectives. For an economy or a private company, human capital may produce material wealth. Human capital is a resource that may be used by a public entity to promote the general welfare. One of the key factors affecting the development and management of human capital may be how well a business performs economically and organizationally. The idea of human capital comes from the human-resource capitalism

economic theory, which places emphasis on the connection between increased performance or productivity and the requirement for ongoing, long-term investments in the development of human resources (Huff, 2022). The concept of human capital acknowledges the non-tangible resources and characteristics that enhance worker productivity and benefit the economy. These characteristics are inextricably linked to the individuals who inherit or possess them. The subject of Becker's research was education. Becker emphasized that paying for education is an investment that raises questions about lost opportunities in terms of both time and money. Students who choose to pursue an education forfeited the chance to work, travel, or have a family. People would only continue their study if the anticipated financial benefit outweighed the expense. Investment in human capital increases earning potential and the capacity to accumulate wealth, which helps both the individual worker and the economy in which they participate. This is especially accurate for schooling (Amadeo, 2022).

#### 2.1.2

Development refers to actions that are focused on the acquisition of information or skills for our own personal development. This process comprises the process by which managers and executives build the capacity to handle management responsibilities that will become more complex and wide-ranging in the future, as well as the ability to keep up with technological advancements in their daily operations development that prioritizes meeting future demands over meeting immediate needs and performance (Mohamed, 2015). Employee training and development programs assist the staff in closing the gap between where they are now and where they would like to be in five years. Participating in employee development events



helps one become more prepared for both the present and the future. Training is crucial because it equips workers with the independence and resilience to handle even the most challenging situations. Employee retention is not a concern for companies that periodically train their staff. Employees that are trained alongside their regular occupations are virtually ever let go of by such firms. Staff relationships may be improved significantly through employee development. People tend to engage more and become closer as a consequence of different trainings, open houses, and forums. They are willing to impart expertise, provide pertinent information, and even mentor other employees (Prachi, 2015).

### **2.1.3 Strategy**

The word "Strategos" was employed in military science in ancient Greece to refer to a war strategy. The focus of strategies in business, however, is primarily on comprehending the opposition and creating a strategy to equal or exceed their potential. According to its definition, strategy is the long-term direction and scope of an organization. It assists the business in gaining an edge through resource configuration in a difficult environment, in order to satisfy market demands and stakeholder expectations. It's critical to comprehend the meaning of the word "strategy" in order to comprehend company operations. After all, in order to succeed, every firm requires a strategy. The ancient Greek term "Strategos," which means "the art of the General," is where the word "strategy" originates. However, in business, the art of war is less important than the managerial response to changes in the corporate environment. We will quickly examine the definition and many business strategy kinds in this post (Topper, 2020). The word "strategy" comes from the Greek strategos, a popularly

chosen commander in ancient Athens. As is the core of strategy, the strategoi were primarily military commanders who possessed both political and military authority. The concept of strategy, which has implications in areas other than warfare like commerce, game theory, and political campaigns, is concerned with the link between means and aims. Rarely is one strategist responsible for all aspects of strategic planning. Even in ancient times, the war council was a go-to place for worried commanders, and planning today takes into account the contributions of committees and working groups (Eliot, 2022).

### **Human Capital Development Plan 2.1.4**

A human capital plan identifies the people assets and competencies required for a firm to succeed. It is founded on workforce planning and backed by systems for managing personnel. Achieving your goals will never be more than a pipe dream without a team of individuals with the expertise to carry out your company plan. So, how should this team be structured? Your staff will be different from anybody else's since your company is unique, but without properly considering your human capital strategy, your well set plans will fall flat. Even if that individual is a crucial employee or manager, no firm should rely only on their contributions. There is no way to forecast what tomorrow may bring because life is so unexpected. Because of this, succession planning is a crucial component of your human capital strategy. Your human capital plan needs immediate attention if the loss or absence of some critical employees (including you) is likely to harm your organization (Tallyfy, 2022). The economic worth of a worker's experience and talents is referred to as human capital. Employers respect traits like loyalty and timeliness as well as assets like education, training, intellect, talents, and physical and mental health. Since it cannot be documented on

a company's balance sheet, it is an intangible asset or quality. It is believed that investing in human capital will boost profitability and productivity. The likelihood of a company's productivity and success increases with the amount of investment it makes in its people. Human capital is crucial to a company since it is sometimes claimed that an organization is only as good as its people from the top down. It is often administered by the human resources (HR) division of a corporation, which is also in charge of hiring, managing, and maximizing the staff. Planning and strategy for the workforce, hiring, training and development of employees, and reporting and analytics are some of its additional directives.

## **2.1.5 Study's Human Capital Development Strategy Components**

### **2.1.5.1 The organizational chart**

An organizational structure is a system that outlines how certain activities are directed in order to achieve the goals of an organization. These activities can include rules, roles, and responsibilities. The organizational structure also determines how information flows between levels within the company. For example, in a centralized structure, decisions flow from the top down, while in a decentralized structure, decision-making power is distributed among various levels of the organization. Having an organizational structure in place allows companies to remain efficient and focused. Businesses of all shapes and sizes use organizational structures heavily. They define a specific hierarchy within an organization. A effective organizational structure specifies each employee's role and how it fits inside the broader system. Put simply, the organizational structure spells out who does what so the corporation may fulfill its objectives, (Kenton, 2022). (Kenton, 2022). The methodical placement of human

resources inside an organization with the aim of achieving shared business objectives is known as organizational structure (OS). It describes each employee's tasks and responsibilities so that work and information are shared easily, enabling an organization's efficient operation. An OS shows how an organization's many resources come together and support its objectives. It outlines the tasks that employees must perform in order for them to collaborate effectively. This decreases resource waste and boosts production. The workflow of a corporation is determined by its OS. There would be an operating system (OS) crisis in any company. According to its workflow requirements, a corporation must thus develop a centralized or decentralized OS (Wallstreetmojo, 2022).

### **2.1.5.2 Making decisions**

Effective business leaders don't make a lot of decisions. They pay close attention to what matters. They strive to reach the maximum degree of conceptual comprehension while making the few critical judgments. Instead of attempting to "fix issues," they seek for the constants in a circumstance and consider what is general and strategically sound. They consequently are not excessively impressed with decision-making speed and instead view the skillful manipulation of many different factors as a sign of poor thinking. They are interested in the decision's rationale and the underlying issues that it must address. They want impact over skill. Additionally, they prefer soundness to intelligence. Effective executives are aware of when a choice must be made on the basis of principles and when it should be based on the facts of the case. They have learnt to distinguish between the right and incorrect compromises because they are aware that this is the decision that is most difficult to make. They are aware that

putting a choice into action takes more time than making a decision does (Drucker, 2022).

## **2.1.6 Performance**

Any business's success is directly correlated with how well its personnel do their jobs. Examine the many aspects of managing employee performance, including as reviews, training and development, promotions, and reassignments. Your success at work will contribute to the success of the company you work for. But what does success really mean, and how does a company gauge it? The first step for managers is to choose workers who are qualified and skilled for the position. Managers check to confirm that a candidate's work is closely aligned with the organization's goals and objectives once the recruiting process is complete (Donna, 2021). Managers conduct employee performance reviews, put training and development plans into place, and choose whether to promote and reassign workers in order to achieve great employee performance. Let's examine each of these aspects of employee performance management (Donna, 2021). An entity's performance is defined as how successfully it completes a task. Profitability, decreasing turnover and absenteeism, customer happiness, productivity, market expansion, effectiveness, efficiency, and achieving a competitive edge are the fundamental indicators of an organization's success. Performance metrics that focus on corporate development and employee happiness, as well as measurements of effectiveness (Adedoyin, Apansile, Okere and Okafor, 2018).

## **2.1.7 Performance Elements Applied to the Study**

### **2.1.7.1 Profitability**

A corporation must be profitable in order to employ its resources to produce more income than it spends. Whether a company remains open for business is determined by profitability.

When compared to an alternative investment, a company's capacity to provide a return on investment based on its resources is known as profitability (Horton, Potters and Munichello, 2021). Every business' success hinges on its capacity to generate profits over time. Profitability is made out of the phrases ability and profit. Profit refers to gaining a financial advantage or benefit, whereas ability refers to a corporate entity's capacity to do so. The earning potential or operational efficiency of an organization is sometimes referred to as its capacity. It is crucial in determining an organization's financial health, efficiency, and ultimately success or failure. Profitability examines the link between revenues and costs to determine how well a business is doing today and what potential growth it may have in the future. A company's profit is its revenues less its costs (Rose, 2019).

### **2.1.7.4 Employee Retention**

For the majority of firms, employee turnover—the gradual erosion of organizational talent—is a serious problem. In 2019, more than 42 million Americans quit their employment willingly. By 2023, more than one-third of workers will willingly leave their jobs, if the current trend holds. The capacity of a business to reduce employee turnover, or the amount of employees who quit their jobs either freely or involuntarily, is known as employee retention. Increasing employee retention directly impacts the performance and success of businesses (Marc, 2021). Employee retention is a phenomena when workers decide to continue working for their present employer and don't aggressively look for other employment opportunities. Employees leaving the organization for a variety of reasons is turnover, which is the reverse of retention. Retention is the procedure a business does to make sure its workers don't leave their positions.

The percentage of employees that stuck with the firm during a specific time period varies depending on the company and sector (BasuMallick, 2021).

## **2.2 Theoretical Framework**

### **The Resource-Based View Theory by Barney, Jay, (1991) guided the study**

The resource-based view suggests that organisations must develop unique, firm-specific core competencies that will allow them to outperform competitors by doing things differently. The RBV points out that organization can develop sustained competitive advantage only by creating value in a way that is rare and difficult for competitors to imitate (e.g. Barney, 1991, Foss, 1997). Although traditional sources of competitive advantage can create value, the RBV argument is that bundles of resources, rather than the product market combinations chosen for their deployment, lie at the heart of an organization's competitive advantages. This approach requires that organization be seen, not through its activities in the product market, but as a unique bundle of resources that are complex, intangible and dynamic.

## **2.3 Empirical Review**

### **2.3.1 The relationship between managerial structure and profitability of manufacturing firms**

Firms' Capital Structure and Profitability Performance: A Study of Selected Food Product Companies in Nigeria was studied by Yimka, Oguntodu, and Adalakun in 2015. The researcher's motivation for doing this study was to ascertain the connection between a firm's capital structure and its capability of enhancing financial performance, particularly profitability. To ascertain whether there is any connection between financial success and profitability performance, this study was conducted. In light of this, a research is conducted, among others, to

determine how gearing affects ROA, ROE, and ROCE for a few Nigerian food product firms. Through the use of purposive sampling, a non-probabilistic methodology was used. The population of the research consists of firms that produce food and have been listed on the Nigeria Stock Exchange's main floor for at least five (5) years, from 2009 to 2013. The public annual reports of the chosen businesses were used to get the data. The results showed that gearing had no discernible impact on ROA, ROE, or ROCE. Gearing, for instance, will result in a negative - 0.0411856 unit shift in the firms' ROA. Additionally, according to the gearing coefficients, a change in gearing will have a negative impact on ROE by 0.0099022, whilst a change in gearing will have a positive impact on ROCE by 0.0049688 for the tested enterprises. The study determined that capital structure has a beneficial impact on Return on Capital Employed but a negative impact on Return on Assets and Return on Equity.

Mbah and Ekechukwu (2015) performed research on the impact of R&D on the caliber of organizational output. The particular goals are to determine how quality planning affects product development at chosen manufacturing companies and assess how training affects quality assurance at chosen manufacturing companies. 4830 employees from a few South-East Nigerian manufacturing companies make up the population. The study's methodology was a survey. The distribution of a questionnaire to personnel and distributors served as the primary source. Using the formula developed by Ferund and Williams, a sample size of 352 was chosen. 339 copies of the survey were sent back and correctly completed. Using content analysis, the validity of the instrument was checked, and the outcome was favorable. With the help of the Pearson correlation coefficient, the reliability



was evaluated (r). A dependability co-efficient of 0.82 was also provided, which was satisfactory. In order to assess the hypotheses, an f-statistics (ANOVA) tool was used. The results show that training has a good impact on the quality assurance of the chosen manufacturing businesses, as indicated by  $F(95, n = 339) = 5353.582$ ,  $p < 0.0$ , and that quality planning has a favorable impact on product development for manufacturing firms. According to the study's findings, industrial companies should invest more time and energy into providing their staff with proper training.

A research on the impact of working capital management on a company's profitability was conducted by Essien and Inyang in 2019. (A Study of First Bank Nigeria Plc). This study investigates how working capital management affects a company's profitability. Based on the goal of the investigation, three hypotheses were developed. Data were the goal of the study, and a survey approach was used to collect them. Data was gathered using the survey method and the bank's official questionnaire and paperwork. The association between working capital management and corporate profitability was examined using a research approach. The study's population consists of both contract and permanent employees of the First Bank of Nigeria in the state of Uyo, Akwa Ibom. There were 38 employees at First Bank Uyo, however only 35 employees made up the study's sample size. A few theories were employed, including the operating cycle theory, which deals with calculating the gross working capital equipment, and the trade-off theory, which addresses the appropriate level of equity to utilize in finance when balancing costs and benefits. The sample size was determined using Taro Yamane's methodology. According to the study's findings, a model should be introduced in banks to handle

the calculation of cash balances throughout various time periods. This was done specifically by testing the hypotheses using chi square. Even if experience may be a wonderful teacher, a scientific forecasting strategy should be used since advance managers have the authority to approve the issuance of short-term loans and advances.

Inventory Management, Organizational Operations, and Productivity in Nigerian Companies: A Panacea for Profitability was the subject of a research by Abomaye, Aminadokiari, and Mbang (2020). This study looks at how inventory management affects organizational efficiency and how that affects business profitability. Therefore, the study's goal was to investigate how manufacturing companies handled their inventory supplies. Our data collection process involved a questionnaire. The Pearson product-moment correlation coefficient and the Spearman rank-order correlation coefficient were used to analyze the acquired data. The results showed that the 7Up Bottling Company's technique for managing their inventories of both raw materials and completed goods was effective since the money saved during purchase has a greater impact on the company's profitability during the manufacturing and sale of finished goods. Cost-effective controlled purchasing has been found to exist. The adoption and use of the economic order quantity (EOQ) model is advised by the study in order to reduce costs and improve operational effectiveness.

A research on the Perceived Influence of Financial Ratios on the Performance of Agro-Allied Industries in Akwa Ibom State, Nigeria, was conducted in 2022 by Anthonia and Edionsenyene. This study looked at how financial ratios were thought to affect the performance of agro-related companies in Akwa Ibom State. The study created three research

questions, responded to them, and assessed three hypotheses at 0.05 level of significance. The research design used in the study was survey. 196 participants in Akwa Ibom State's listed agro-allied sectors, including 111 managers and 85 accountants, made up the study's population. Due to the small and controllable size of the population, no sampling was done. Data for the study were gathered using a 19-item questionnaire as the tool. The internal consistency of the questionnaire items was evaluated using the Cronbach Alpha reliability technique. The instrument's total dependability coefficient was 0.92, which indicates that it was quite dependable. The research's data were gathered with the aid of research assistants, and after being analyzed with mean and standard deviation to address the study's research questions, all of the null hypotheses were put to the test using the t-test statistic at the significance level of 0.05. The results showed that profitability ratios, leverage ratios, and liquidity ratios all affect how well agro-allied sectors function in Akwa Ibom State. According to the results, it was suggested, among other things, that accountants in agro-allied industries always analyze the firm's financial ratios at the end of every financial year in order to know the firm's profitability, its capacity to generate cash to pay off creditors, and the relationship between various sources of funding available to the firm, enabling management to make informed decisions in order to improve the firm's performance.

The Maintenance Management and Organizational Performance in Selected Manufacturing Firms, Akwa Ibom State, was studied by Uforo, Uoro, and Baridam in 2022. The goal of this study was to investigate the connection between organizational performance and maintenance management in a sample of

Akwa Ibom State manufacturing enterprises. The study used a survey research approach, and 258 respondents were chosen at random from a population of 275. Five hypotheses were developed to help the study reach its goal. A structured questionnaire that was given to the respondent utilizing random sampling procedures served as the primary tool for data collection. Simple percentage and Ordinal Logistic Regression were used for data analysis. The findings indicate a significant relationship between organizational performance variables of effectiveness, efficiency, and profitability among selected manufacturing firms in Akwa Ibom State and maintenance management variables such as corrective, preventive, condition-based maintenance, and pre-determined maintenance. According to the analysis's findings, management must give the maintenance teams access to maintenance management software to guarantee adequate intervention monitoring and effective interaction between technicians and other experts. Since the goal of corrective maintenance is to get a piece of equipment back to normal operation so that it can carry out its designated job, it is advised that management make sure it is carried out as soon as a problem on a piece of equipment or a production line is discovered. Whether or not a maintenance plan has been prepared will determine whether corrective maintenance is planned or unplanned.

### **2.3.2 The connection between manufacturing companies' decision-making and employee retention**

The Non-Financial Incentives and Staff Motivation in the Akwa Ibom State Civil Service, Nigeria, were examined by Ayandele and Etim in 2020. The study explored five key variables, including continuous professional development, performance feedback, employee employment, employee participation in decision-making, and

task autonomy, to examine the relationship between non-financial incentives and employees' motivation in the Akwa Ibom State Civil Service. The Taro Yamene Sample Size Determination Table was used to determine the sample size for the survey study design, which involved employing questionnaires to collect data from 392 respondents selected from a population of 20465 state public officials. Through the use of convenience and stratified sampling approaches, the sample was obtained from all ministries and departments. Descriptive and inferential statistics were used to analyze the data. A significance threshold of 0.05 was used to test hypotheses. The analysis's findings revealed a favorable correlation between the five non-financial incentive factors and workers' motivation. The strongest link was seen for continuing professional development (CPD) ( $r = 0.33$ ,  $P = 0.01$ ). Additionally, the five null hypotheses were disproved, indicating that the study's factors affect Akwa Ibom State Civil Service employees' motivation in Nigeria. The study's beta coefficients and t-values were CPD (0.29; 4.313), PF (0.117; 3.500), EE (0.2.141), PDM (0.182; 2.935), and TA (0.231; 2.817). It was determined that companies should look more at non-financial incentives when creating and putting into practice employee benefit-related policies since employee motivation is a key factor in organizational performance and growth.

Evaluation of the Relationship between Organizational Justice and Job Satisfaction Among Employees of Five Selected Manufacturing Firms in South East, Nigeria was the subject of a research by Ede & Mbah in 2020. This study examines the connection between work satisfaction and organizational justice among employees of five specifically chosen industrial companies in south-eastern Nigeria. The study's sample size was 5,000 people,

including 11 workers (5,011). Eight hundred and ninety-five (895) respondents made up the study sample. Experts evaluated a questionnaire that was utilized as the data gathering tool. Among the key conclusions are that there is a positive relationship between promotion and employee commitment in the five manufacturing firms in South-East Nigeria ( $r = .875$ ;  $p = .000 > 0.05$ ,  $n=895$ ); there is also a positive relationship between employees' regular salary payments and their commitment to the company. Productivity in the five chosen industrial companies in the South-East of Nigeria ( $r = .745$ ;  $p = .000 > 0.05$ ,  $n=895$ ). According to the study's findings, in a few South-East Nigerian bakeries, employee loyalty, regular wage payment, and productivity all have a favorable correlation with promotion. A system of incentives may be used in the baking industries to provide justice or fairness given the nature of the workplace environment. Some recommendations were given in light of the findings; job advancement is a crucial factor that affects employee loyalty. It is advised that manufacturing businesses place more of an emphasis on job promotion to foster more employee dedication and excellent production. It is also advised that the industry's wage and compensation packages be comparable with those of other sectors in order to encourage hiring of competent and talented workers.

At Akwa Ibom State University, Okon, Akpanim, and Usoro (2022) looked at organizational effectiveness and manpower planning. Whether an organization is in the public or private sector, manpower planning, also known as human resource planning, is a crucial resource base. In order to examine the effects of manpower planning challenges on the organizational effectiveness of Akwa Ibom State University, this study identified employee mismatch with tasks, a lack of necessary training and development, as

well as proper forecast and projection on manpower needs of organizations with environmental realities, as problems. The approach used for the study was a descriptive survey design. Instrumentation from primary and secondary sources was employed to gather data for the investigation. The study's 1,225 participants included both academic and non-academic staff members from Akwa Ibom State University, and a sample size of 302 was used. Statistical software for the social sciences was utilized to evaluate hypotheses using the Taro Yamane methodology together with regression and correlation analysis (SPSS). The study's conclusions showed that staff mix utilization had a considerable favorable impact on Akwa Ibom State University productivity. On the other side, work-life balance was demonstrated to have a major detrimental impact on the university's culture as well as on the staff's motivation and ability to execute services effectively.

A research on Distributive Justice and Employee Turnover among Bank Workers in Akwa Ibom State, Nigeria, was conducted by Udemé and Baridam in 2022. The goal of the study was to investigate the connection between employee turnover among bank employees in Akwa Ibom State and distributive justice. A sample of 314 respondents was selected from the population of 1465 using an ex-post facto design, which was used for the study. Five hypotheses were developed and examined in order to meet the study's goal. The study used Taro Yamane's scientific sampling strategy to obtain data utilizing a triangulation of techniques (structured questionnaire and interview). 299 of the 314 surveys that were handed out had responses. Utilizing basic percentages and ordinal logistic regression, the data acquired were evaluated. The findings revealed a significant and favorable relationship between

employee turnover variables of voluntary resignation, employee abscondment, and employee satisfaction among bank employees in Akwa Ibom State and variables of distributive justice such as unequal distribution, inequitable distribution, mismatched needs and personality traits. The results also showed that there is no correlation between the employee turnover variable of employee commitment and the distributive justice variable of unfair responsibility allocation among bank employees in Akwa Ibom State.

Tamuno and Bogbo (2022) did a research on the workers' dedication and involvement in decision-making in a few chosen Niger-Delta telecommunications businesses. This study was designed to look at how employee participation in decision-making affects workers' performance in the Niger Delta's telecommunications sector. The study was conducted utilizing a sample of 329 respondents from the Nigerian Niger Delta region's MTN, GLO, and Airtel telecommunications firms. In order to collect data for the study, a questionnaire was used, and descriptive statistics were used to analyze the results. The study's findings demonstrated a connection between employee commitment to corporate objectives and decision-making involvement. Employees in the telecommunication organizations in the Niger Delta Region do not participate in the decision-making of their organizations, and that participation in the decision-making of their organization will enhance their commitment to their organization. Employees' participation in decision-making will not only commit them to organizational goals, but also increase their productivity. The study also discovered that employees' input into decision-making will improve the work environment at telecom companies in the Niger Delta and that workers





will give their all if they participate in decisions that have an impact on their operation.

### 3.0 Methodology

The area of study was Uyo, Akwa Ibom state, Nigeria. Four (4) manufacturing firms were selected. Namely: Champion Breweries Plc, Altima Nigeria Limited. Davinof Nigeria Limited. Eket, and Konnberg Solutionz. These organizations were chosen because of high number of staff and minimum of 10 Million naira Capital base. The study used the survey approach. The primary sources were personal interview and the administration of questionnaire. A population of 1110 and 285 staff of sample size was used using Freund and William formula. 244 staff returned the questionnaire and accurately filled. That gave 86

percent response rate. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.77 which was also good. Data was presented and analyzed by mean score (3.0 and above a greed while below 3.0 disagreed) and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Pearson correlation coefficient (r) statistics tool.

### 4.0 DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

#### 4.1 Data presentation and analyses

#### 4.1.1 The relationship between managerial structure and profitability of manufacturing in Akwa Ibom state.

**Table 4.1.1: Responses on the relationship between managerial structure and profitability of manufacturing in Akwa Ibom state**

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	- X	SD	Decisio n
1	The staff found where they fit into the organization that increases the earns of the organization.	485 97 41.4	240 60 32.1	72 24 5.9	48 24 5.5	39 39 15.2	884 244 100%	3.62	1.481	Agree
2	Staff is placed on the level their skills belong and it enhances the profit of the organization.	395 79 39.7	240 60 31.0	90 30 6.6	24 24 7.6	51 51 15.2	800 244 100%	3.28	1.531	Agree
3	The employees move up within the organization that attracts growth.	405 81 22.1	280 70 51.0	117 39 5.9	30 15 6.9	39 39 14.1	871 244 100%	3.57	1.414	Agree
4	There is gaining of experience and completion of additional training to a managerial position.	450 90 52.1	280 70 15.5	63 21 9.3	90 45 8.6	18 18 14.5	901 244 100%	3.69	1.330	Agree
5	Moving to similar field with higher educational requirements and responsibilities reduces employee turnover.	405 81 32.1	280 70 47.6	117 39 5.2	66 33 5.2	21 21 10.0	889 244 100%	3.64	1.299	Agree
<b>Total Grand mean and standard deviation</b>								<b>3.76</b>	<b>1.411</b>	

Source: Field Survey, 2022



Table 4.1.1, 157 respondents out of 244 representing 73.5 percent agreed that the staff found where they fit into the organization that increases the earns of the organization with mean score of 3.62 and standard deviation of 1.481. Staff is placed on the level their skills belong and it enhances the profit of the organization 139 respondents representing 70.7 percent agreed with mean score of 3.28 and standard deviation of 1.531. The employees move up within the organization that attracts growth. 73.1 percent agreed with mean score of 3.57 and standard deviation of 1.414. There is gaining of

experience and completion of additional training to a managerial position. 160 respondents representing 67.6 percent agreed with mean score of 3.69 and 1.330. Moving to similar field with higher educational requirements and responsibilities reduces employee turnover 151 respondents representing 79.7 percent agreed with a mean score of 3.64 and standard deviation 1.299

## 4.1.2 The effect of career advancement on the profitability of ICT businesses in Lagos state, Nigeria

**Table 4.1.2: Responses on the effect of career advancement on the profitability of ICT businesses in Lagos state, Nigeria**

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	- X	SD	Decisio n
1	The staff found where they fit into the organization that increases the earns of the organization.	345 69 41.4	448 112 32.1	63 21 5.9	66 33 5.5	9 9 15.2	931 244 100%	3.81	1.101	Agree
2	Staff is placed on the level their skills belong and it enhances the profit of the organization.	315 63 39.7	448 112 31.0	9 3 6.6	72 36 7.6	30 30 15.2	874 244 100%	3.58	1.342	Agree
3	The employees move up within the organization that attracts growth.	315 63 22.1	460 115 51.0	54 18 5.9	84 42 6.9	6 6 14.1	919 244 100%	3.77	1.092	Agree
4	There is gaining of experience and completion of additional training to a managerial position.	320 64 52.1	360 90 15.5	135 45 9.3	90 45 8.6	0 0 14.5	905 244 100%	3.71	1.374	Agree
5	Moving to similar field with higher educational requirements and responsibilities reduces employee turnover.	480 96 32.1	244 61 47.6	126 42 5.2	78 39 5.2	6 6 10.0	934 244 100%	3.83	1.184	Agree
<b>Total Grand mean and standard deviation</b>								<b>3.74</b>	<b>1.219</b>	

**Source: Field Survey, 2022**

Table 4.1.2, 181 respondents out of 244 representing 73.5 percent agreed that the staff found where they fit into the organization that increases the earns of the organization with

mean score of 3.81 and standard deviation of 1.101. Staff is placed on the level their skills belong and it enhances the profit of the organization. 175 respondents representing 70.7

percent agreed with mean score of 3.58 and standard deviation of 1.342. The employees move up within the organization that attracts growth. 178 respondents representing 73.1 percent agreed with mean score of 3.77 and standard deviation of 1.092. There is gaining of experience and completion of additional training to a managerial position 154 respondents representing 67.6 percent agreed with mean score of 3.71 and 1.374. Moving to similar field

with higher educational requirements and responsibilities reduces employee turnover 157 respondents representing 79.7 percent agreed with a mean score of 3.83 and standard deviation 1.184

## 4.3 Test of hypotheses

### 4.3.1 Managerial structure has no positive relationship with the profitability of manufacturing firm in Akwa Ibom state.

**Correlations**

		Structure gives staff more clarity that enables the organization to make more income	The management of expectations are enhanced with structure	Better decision makings are improved with managerial structure	There is consistency with the use of managerial structure	The organization of workflow and assigning of responsibility are enhanced
Structure gives staff more clarity that enables the organization to make more income	Pearson Correlation	1	.709**	.688**	.730**	.661**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	244	244	244	244	244
The management of expectations are enhanced with structure	Pearson Correlation	.709**	1	.657**	.500**	.645**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	244	244	244	244	244
Better decision makings are improved with managerial structure	Pearson Correlation	.688**	.657**	1	.816**	.985**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	244	244	244	244	244
There is consistency with the use of managerial structure	Pearson Correlation	.730**	.500**	.816**	1	.801**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	244	244	244	244	244
The organization of workflow and assigning of responsibility are enhanced	Pearson Correlation	.661**	.645**	.985**	.801**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	244	244	244	244	244

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 4.3.1. Showed the Pearson correlation matrix on **managerial structure with the profitability showing** the correlation coefficients, significant values and the number of cases. The correlation coefficient shows .500 < .985. This value indicates that correlation is significant at 0.05 level (2 tailed) and implies that the **managerial structure had positive relationship with the profitability of manufacturing firm in Akwa Ibom state.** ( $r = .500 < .985$ ). The computed correlations coefficient is greater than the table value of  $r = .000$  with at alpha level for a two-tailed test ( $r = .500 < .985, p < .05$ ).

## Decision Rule

The decision rule is to accept the null hypothesis if the computed  $r$  is less than the tabulated  $r$  otherwise reject the null hypothesis.

## Decision

Since the computed ( $r = .500 < .985$ ) is greater than the table value of .000, we reject the null hypothesis. Therefore, we concluded that **managerial structure had positive relationship with the profitability of manufacturing firm in Akwa Ibom state** as reported in the probability value of ( $r = .500 < .985, p < .05$ ).

## 4.3.2 Decision making has no positive relationship with the staff retention of manufacturing firms in Akwa Ibom state.

Correlations

		Employee confidence in management increases job satisfaction	The commitment becomes high with employee participation in decision making	The rate of turnover is reduced as employee contribute to the matters that concern them	Involving employees in the policies that affects them high motivate their attitudes at work	To remain employed and fully productive are promoted by involving the employees in multiple decisions
Employee confidence in management increases job satisfaction	Pearson Correlation	1	.858**	.857**	.521**	.686**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	244	244	244	244	244
The commitment becomes high with employee participation in decision making	Pearson Correlation	.858**	1	.970**	.669**	.615**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	244	244	244	244	244
The rate of turnover is reduced as employee contribute to the matters that concern them	Pearson Correlation	.857**	.970**	1	.625**	.628**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	244	244	244	244	244
Involving employees in the policies that affects them high motivate their attitudes at work	Pearson Correlation	.521**	.669**	.625**	1	.468**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	244	244	244	244	244
To remain employed and fully productive are promoted by involving the employees in multiple decisions	Pearson Correlation	.686**	.615**	.628**	.468**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	244	244	244	244	244

\*\* . Correlation is significant at the 0.01 level (2-tailed).



Table 4.3.2. Showed the Pearson correlation matrix on decision making with the staff retention showing the correlation coefficients, significant values and the number of cases. The correlation coefficient shows .468 < .970. This value indicates that correlation is significant at 0.05 level (2 tailed) and implies that the **decision making had positive relationship with the staff retention of manufacturing firms in Akwa Ibom state**. ( $r = .468 < .970$ ). The computed correlations coefficient is greater than the table value of  $r = .000$  with at alpha level for a two-tailed test ( $r = .468 < .970, p < .05$ ).

#### Decision Rule

The decision rule is to accept the null hypothesis if the computed  $r$  is less than the tabulated  $r$  otherwise reject the null hypothesis.

#### Decision

Since the computed ( $r = .468 < .970$ ) was greater than the table value of .000, we reject the null hypothesis. Therefore, we concluded that **decision making had positive relationship with the staff retention of manufacturing firms in Akwa Ibom state** as reported in the probability value of ( $r = .468 < .970, p < .05$ ).

#### 4.4 Discussion of findings

##### 4.4.1 Managerial structure had positive relationship with the profitability of manufacturing firm in Akwa Ibom state

Any organization's organizational structure is a key antecedent to its financial performance. Financial stability is necessary for an organization to continue expanding and functioning. One of the numerous factors that aid organizations in achieving financial stability is structure. For an organization to be stable, structure is important (Kampini, 2017). The formal component of work organization is structure. The structure of an organization is concerned with how many employees are gathered in groups to carry out particular job

activities. It is also concerned with the relationships between various worker groups and the managers who are assigned responsibility for the work done by diverse groups. We reject the null hypothesis because the computed ( $r = .500 .985$ ) result of hypotheses one is larger than the table value of .000. Therefore, based on the probability value of ( $r = .500 .985, p < .05$ ), we came to the conclusion that management structure had a positive association with the profitability of manufacturing firms in Akwa Ibom state.

4.4.2 Making decisions has a favorable impact on the retention of employees in manufacturing companies in Akwa Ibom state.

The null hypothesis is rejected since hypothesis two revealed that the calculated ( $r = .468 .970$ ) is higher than the table value of .000. Therefore, based on the probability value of ( $r = .468 .970, p < .05$ ), we came to the conclusion that decision-making had a positive association with staff retention of manufacturing enterprises in Akwa Ibom state. Managing for employee retention is taking deliberate measures to keep employees motivated and concentrated so they choose to stay employed and contribute to the firm completely. A thorough employee retention program may be extremely effective in luring in and keeping essential people, as well as in lowering turnover and its associated expenses. Retaining a good employee is more cost-effective than searching for, hiring, and onboarding a replacement. The percentage of employees that stuck with the firm during a specific time period varies depending on the company and sector (BasuMallick, 2021).

#### 5.0 Inference

The study found that managerial structure and decision-making had a favorable link with the manufacturing firm's profitability and employee retention in the state of Akwa Ibom. The ability

to detect opportunities and seize them, design and implement strategies that position the company as a market leader, and ultimately improve organizational performance are all benefits of developed human capital. Organizations should prioritize human capital development in their corporate strategy plans in order to update the skills of their staff, improve their conceptual understanding, and increase their awareness of the organization's overall goals and values.

## Recommendations

The following recommendations were made in light of the findings.

- i. The management of the businesses should seriously implement managerial structure to aid in providing employees with more clarity, assisting in the management of expectations, facilitating better decision-making, and delivering value to a market.
- ii. Management should support excellent decision-making since it is important to obtain all relevant information and consider the benefits and disadvantages. Good judgments made quickly can help manufacturing companies succeed, while poor decisions made slowly can put the entire company in danger.

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